

Public Utilities Commission
Public Hearing

Opening Statement of
Walter A. Dods, Jr.
999 Bishop Street, 29th Floor
Honolulu, HI 96813

Docket No. 04-0140
State Capitol Auditorium
October 5, 2004
6:00 p.m.

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Dear Chairman Caliboso and PUC Commissioners:

Thank you for the opportunity to present my thoughts to the Commission in support of The Carlyle Group's proposed acquisition of Verizon Hawaii. I apologize that I am not able to be at the hearing this evening as I am attending a conference of the Japan-Hawaii Economic Council in Kyoto. Also, please note that these are my personal views and are not made in my capacity as chairman and chief executive officer of First Hawaiian Bank.

I have carefully considered this transaction and wholeheartedly support it. If the PUC approves this sale, it will be one of the most important transactions in our state in recent history because of the positive impact it will have on business and residential customers, employees and our community.

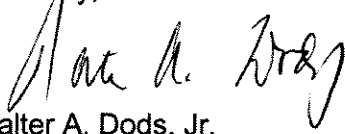
I am so confident that this is in the best interests of Hawaii that I intend to commit substantial personal resources to the transaction. I have also received calls from other local business executives who are interested in making similar commitments. These Hawaii residents represent a broad cross-section of our business community. They understand the value of having a locally managed telephone company. As a member of the board of directors, I will help to implement that vision and to ensure that our phone company is a good corporate citizen.

Carlyle has a clear plan for the phone company in the Islands. Hawaii needs a company that is willing to invest and upgrade Verizon's current infrastructure to improve reliability and service. We need a company that is committed to providing innovative products and services. Our state should welcome with open arms companies that are committed to retaining employee positions and creating more jobs for our people. And, most importantly, we need a company that is committed to supporting a Hawaii-based management team.

I am confident that Bill Kennard and his team at The Carlyle Group will be able to carry out their vision. With more than \$18 billion in assets under management, 23 percent of which are in the telecommunications sector, Carlyle has a proven track record, approaching each acquisition prudently and with the intent of making companies even better to create a win-win situation for everyone involved – management and union employees, customers, investors and the community.

I strongly encourage the PUC Commissioners to focus on the big picture and to welcome this opportunity that is before us for the people of Hawaii. Your support of this transaction is a vote of confidence in Hawaii's future.

Sincerely,



Walter A. Dods, Jr.